

The Church of Jesus Christ of Latter-day Saints (Great Britain)
(An unlimited company and registered charity)

Annual report and financial statements

Year ended 31 December 2011

Company number: 699764

Charity number: 242451

The Church of Jesus Christ of Latter-day Saints (Great Britain)
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The Church of Jesus Christ of Latter-day Saints (Great Britain)

Report of the trustees for the year ended 31 December 2011

The trustees are pleased to present their report together with the audited financial statements of The Church of Jesus Christ of Latter-day Saints (Great Britain) ("The Charity") for the year ended 31 December 2011.

Legal and administrative details

Charity number: 242451

Company number: 699764

Principal office and registered office: 751 Warwick Road, Solihull, West Midlands, B91 3DQ

Auditors: Grant Thornton UK LLP
Colmore Plaza, 20 Colmore Circus,
Birmingham B4 6AT

Bankers: HSBC
34 Poplar Road, Solihull, West Midlands, B91 3AF

Bank of America
26 Elmfield Road, Bromley, Kent, BR1 1WA

Solicitors: Devonshires
Salisbury House, London Wall, London, EC2M 5QY

Directors, trustees and senior management:

The directors of The Charity are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees.

The trustees serving during the year and subsequent to the year end and up to the date of signing the report were as follows:

Robert John Mulligan

Rainer Herbert Gottlieb Wiborny

Joseph Bitner Wirthlin Jr.

None of the trustees have qualifying third-party indemnity insurance.

Area controller

Brad Barlow

The Church of Jesus Christ of Latter-day Saints (Great Britain)

Report of the trustees for the year ended 31 December 2011

Structure, governance and management

Governing document

The Church of Jesus Christ of Latter-day Saints (Great Britain) is an unlimited company and a registered charity. The Charity is governed by its Memorandum and Articles of Association which were last amended on 31 March 2005.

Appointment of trustees

As set out in the Articles of Association, new or additional directors (trustees) are to be appointed by the shareholder (Corporation of the Presiding Bishop of The Church of Jesus Christ of Latter-day Saints), providing such persons are willing so to act either to fill a vacancy or as an additional trustee.

The shareholder will also determine the rotation and time in which trustees are to retire. Currently no term is fixed to the term served. Trustees shall not be less than two or more than seven in number.

The shareholder may, from time to time, vary the minimum or maximum number of directors (trustees).

Trustee induction and training

New trustees undergo an orientation day to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making processes, the business plan and recent financial performance of The Charity.

During the induction day they meet key employees and other trustees. Trustees are updated and advised on legal issues by Devonshires solicitors.

Organisation

The parent organisation of The Charity, The Church of Jesus Christ of Latter-day Saints ("The Church"), is directed by the First Presidency supported by The Quorum of the Twelve Apostles and various quorums of the Seventy. Members of these quorums are called General or Area Authorities, three of whom will be assigned to serve as an Area Presidency within a specific geographic area.

Throughout the world a number of Area Presidencies are assigned to administer the day to day affairs of The Church on behalf of the First Presidency. One of these Area Presidencies is based in Frankfurt, Germany and has the responsibility for the administration and operation of The Church in Europe. The Europe Area Presidency provides ecclesiastical direction for The Church in Europe and oversees The Church's lay ministry.

Ecclesiastical direction is channelled to The Charity via the shareholder and is reflected in the various department budget requests which are reviewed by the trustees annually prior to them being submitted to Church headquarters for approval.

The Charity also administers operations in France.

The Church of Jesus Christ of Latter-day Saints (Great Britain)

Report of the trustees for the year ended 31 December 2011

Structure, governance and management (continued)

Within this framework, the board of trustees administers the affairs of The Charity. The board meets at least twice a year. Department heads submit reports and budget requests to the trustees for approval in or around October each year. In or around March each year department heads report to the trustees on the prior year's financial performance and achievements.

In addition, the trustees monitor progress and achievements throughout the year and other trustee meetings are held as necessary.

Employees

The Charity has the policy of ensuring that its employees are those that are able to meet the necessary requirements of their position and are up to date on any developments required for their position. This is achieved in a variety of ways:

- Applications for new positions in The Charity are invited from anyone with the relevant qualifications. The key selection emphasis is on the applicants' ability to meet the requirements of the position with reference to qualifications and prior experience. In December 2008, in response to the impact of the economic environment on operations, The Charity initiated a hiring freeze with the result that resigning or retiring staff would no longer be automatically replaced. This hiring freeze continued throughout 2011. In the future, whenever a vacancy does need to be filled, preference will be given to selecting from existing employees based on their experience and relevant qualifications. Only in exceptional circumstances is it expected that new external hires will be considered for needed vacant positions.
- The Charity utilises regular staff meetings during the year which help to ensure that the employees' input is received regarding any decisions which affect their interests. In addition, there are websites and e-mail facilities available to enable more effective communication and training. This helps to ensure that employees receive systematic updates on matters concerning them as employees and ensures their involvement in relation to the financial and economic factors that affect the performance of The Charity.
- In addition to the above points, The Charity is mindful of the need to cater for those with illness, medical conditions or disabilities. Applicants for new positions in The Charity are requested to provide information the employer would need to be aware of in order to make reasonable adjustments should they be successful.
- In addition to the above points The Charity is mindful of the need to cater for those with disabilities. Where any employees become incapacitated during their employment they are entitled to receive long term disability benefits from The Charity. Where an employee becomes disabled but not incapacitated the employer will make any reasonable adjustments necessary. On training and career development issues, there is no distinction made between disabled and non-disabled employees. The same opportunities are available to all staff, irrespective of disability. The key emphasis is on the technical ability of each employee.

The Church of Jesus Christ of Latter-day Saints (Great Britain)

Report of the trustees for the year ended 31 December 2011

Structure, governance and management (continued)

Related parties

The Charity has a close relationship with its sister charity the Irish Association of The Church of Jesus Christ of Latter-day Saints ("The Irish Association"). There is regular cooperation between the charities. On 18th February 2011, land with a total value of £6,607,643 was transferred to The Charity, in the form of a donation, from another sister charity, Farmland Reserve UK Limited (formerly the Church of Jesus Christ of Latter-day Saints (Welfare) Limited) ("Farmland").

Principal risks and uncertainties

The main risk The Charity faces is that it relies on donations from members and parent company donations to finance its charitable activities. However, the parent company has guaranteed its future financial support, where necessary, to ensure that The Charity has sufficient reserves to meet the costs of its charitable activities.

Financial risk and management

The following statements summarise The Charity's identified forms of financial risk and management policies:

- Price risk – salary costs are communicated to staff during the formal annual review of salaries. Prices of materials purchased are subject to contracts with suppliers, based on current market prices.
- Credit risk – Credit risk on amounts owed to The Charity by its customers is low as the majority of its debtors have been contracted with frequently by The Charity in the past and have a proven reliability.
- Liquidity risk – The Charity has no long-term borrowings. Assurances of continuing financial support have been received from the parent company.
- Interest rate cash flow risk – The Charity is able to place surplus funds on short term deposit with The Charity's bankers.

The trustees have a risk management strategy which encompasses:

- an annual review of the risks The Charity may face;
- the establishment of systems and procedures to mitigate those risks identified in the strategy; and
- the implementation of procedures designed to minimise any potential impact on The Charity should those risks materialise.

The Church of Jesus Christ of Latter-day Saints (Great Britain)

Report of the trustees for the year ended 31 December 2011

Objectives and activities

The Charity has the general aim of assisting The Church to grow its membership and to provide facilities for them and to reach out and work with, and provide services to, the wider community. The Charity assists members of The Church and others in need of religious assistance or in conditions of need, hardship, sickness or distress.

The object of The Charity is:

To promote and further the religious and other charitable work of The Church of Jesus Christ of Latter-day Saints in the United Kingdom and elsewhere.

The Charity achieves this in the following ways:

Provision of facilities for religious worship

One of the primary objectives of The Charity is to provide temples and meetinghouses to enable religious worship to be undertaken by members of The Church and others. Worship services are held each Sunday in meetinghouses. The Charity worked closely with Farmland up to 2010, which had the responsibility of dealing with the construction of new meetinghouses up to that time. However, from 2011, The Charity has undertaken this responsibility. It deals with external contractors, architects and other consultants directly to achieve this goal.

Religious education

Worship services are held each Sunday in meetinghouses whereby members and non-members are invited to attend and learn about Jesus Christ and how adopting his teachings benefits all. These services are open to the public. Various other meetings are held throughout the rest of the week.

The smallest congregation in The Church is a Branch. Larger congregations are called Wards. All members of The Church belong to a designated Branch or Ward. Groups of Branches and Wards are called Districts or Stakes. These are created to facilitate the administration of The Church.

The Church has no paid ministry and thus local members fill leadership positions. Men and women volunteer their time to serve in whatever position they are called.

Ecclesiastical functions in the various congregations are carried out on a volunteer basis. Administrative support and ecclesiastical direction is provided from The Church's European headquarters in Frankfurt, Germany (from August 2008). Prior to August 2008 ecclesiastical direction and administrative support had been provided from Solihull in the West Midlands.

Religious materials

The Charity supplies certain religious materials at no charge to members of The Church and others to help them in their Church work and to improve their learning. Magazines and other religious training materials are also contained on The Church's United Kingdom and worldwide websites (www.lds.org.uk and www.lds.org).

The Church of Jesus Christ of Latter-day Saints (Great Britain)

Report of the trustees for the year ended 31 December 2011

Objectives and activities (continued)

Missionary work

A key objective is missionary work and The Charity assists in the funding of missionary activities in the United Kingdom. Missionaries will teach people about The Church and also undertake service projects in the local community.

Family history

The Church places great religious significance on tracing family history. Within the community there is also a wide interest in genealogy. The Charity continues to be committed to improving facilities within its Family History Centres throughout the United Kingdom and Ireland.

Upon request, The Charity also makes available microfilm and microfiche records from the extensive libraries held by The Church. Family history research (researching genealogy) remains a major interest and hobby for many people in Great Britain. On-line resources including searchable databases and images of original records, continue to grow at pace. Access is available to the world's largest free genealogy library where more than 20 billion records can be studied.

One of the aims of the Family History Department is to deliver more records, to more people and faster, by providing timely access to the broadest set of family history records possible.

There are no paid employees in Family History Centres. They are staffed by volunteers, with 95% of these being members of The Church.

Work in the community

The Charity encourages members of The Church to become actively involved in their local community and provide training materials to assist with this. The Charity also arranges a 'National Helping Hands Day' where members of each Ward and Branch perform a pre-arranged service in the community.

Public Affairs

The Charity undertakes certain public affairs projects during the year to ensure that the general public has a clear understanding of what The Church teachings stand for.

Encourage welfare principles

The Charity encourages members to become economically self-reliant through employment, education, and maintaining food storage. A large amount of the responsibility for this rests with the Employment Resource Services department. This department is managed by two full-time employees of The Charity, an Employment Resource Services manager and an associate manager.

Public benefit

The trustees have read and given due regard to the guidance on public benefit published by The Charity Commission in exercising their powers and duties.

The Church of Jesus Christ of Latter-day Saints (Great Britain)

Report of the trustees for the year ended 31 December 2011

Achievements and performance

Provision of facilities for religious worship

Church membership in the United Kingdom stood at 188,029 at 31 December 2011 (2010: 187,436). At year end there were 45 stakes comprising 282 Wards and 50 Branches. At year end 2011 The Charity owned 294 meetinghouses accommodating the Wards and Branches. For those congregations not yet qualifying for a purpose built meetinghouse, facilities were either leased or rented to accommodate such units of The Church. During 2011, The Charity leased or rented 40 premises to house an equal number of Wards and Branches that do not yet qualify for their own meetinghouse.

In 2011 the following building related costs were incurred:

Real Estate Projects

The acquisition of the following sites have been finalized;	
1. Manchester for a new meetinghouse	
2. Antrim for a parking addition	£ 1,216,095
Total	£ 1,216,095

Meetinghouse Addition Projects

The following meetinghouse addition projects started in 2011;	
1. Addition construction – York	
2. Addition Design - Huntingdon, Kettering, Swindon, Chorley	£ 801,348
Total	£ 801,348

Meetinghouse Replacement and Improvement (R&I) Projects

110 meetinghouse R&I projects started in 2011	£ 3,096,947
Total	£ 3,096,947

In addition, the following maintenance costs were incurred in the year:

Meetinghouse Operations – the cost to operate and maintain meetinghouses in 2011

Operational costs includes; Cleaning, Minor Maintenance, Grounds Care, Phone, Utilities, Administration Costs and Rents. Total operational square feet = 2,100,015	£ 8,630,411
Total	£ 8,630,411

The Church of Jesus Christ of Latter-day Saints (Great Britain)

Report of the trustees for the year ended 31 December 2011

Achievements and performance (continued)

New Meetinghouse Projects with full expected costs

New meetinghouse design start projects have commenced at; 1. Chesterfield England 2. Crystal Palace England	£ 500,000
New meetinghouse construction projects have started at; 1. Buchan Scotland 2. Omagh Northern Ireland.	£1,380,000
New meetinghouse construction projects are planned to start at; 1. Manchester England 2. Milford Haven Wales	£4,230,000
Total	£6,110,000

Missionary work

During 2011 there were 1,738 convert baptisms in the United Kingdom. The Charity continues to assist with the funding of missionary programmes.

In all, there are currently 6 missions in the United Kingdom. Each mission has a financial secretary to administer the financial matters of that mission. In addition there is financial and administrative support given from the head office at 751 Warwick Road, Solihull.

Overall, the missionary programme for 2011 finished within budget.

Family history

In the United Kingdom the charity now has 121 Family History Centres operating at year end 2011. This increase includes the addition of the Solihull Central Library, which was granted affiliate status. These research facilities are used extensively by members of the public, with approximately 70% of patrons not being members of The Church.

Achievements in family history during 2011 were:

- Participated in the “Who Do You Think You Are?” event at Olympia, London for the fifth year in succession. Also participated in or sponsored local units to participate in eight other family history fairs in the UK.
- Solihull Central Library was granted affiliate status.
- Twenty-nine volunteers (Church-service missionaries – ‘CSM’) work in the FamilySearch Support EMEA Contact Centre –the online and phone helpdesk. Along with other English-language volunteers located elsewhere in the world, they typically handle 16,000 telephone cases/month; 500 chat interactions/month and answer 12,000 e-mail cases/month.

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Report of the trustees for the year ended 31 December 2011

Achievements and performance (continued)

Family history (continued)

- The two volunteer Area Family History Advisers continued to be trained and supported in their work with UK priesthood leaders.
- Imaged and replaced 22 Family History Centre personal computers.
- During 2011, efforts continued to increase the numbers of volunteers working to index family history records on-line, through FamilySearch Indexing. At the year-end there were 2,609 Church member indexers in place, with many more non-member indexers not included.
- Five full time employees supported by missionaries both full time and CSM captured 2,750,000 images. This equates to possibly 20,000,000 records (individual names).
- Agreements have been signed covering in total 5,250,000 new images. Some of these new images have been captured through 2011.
- In addition agreement was reached covering an additional 12,000,000 renegotiated images (exposures already held on microfilm). This again equates to a possible 48,000,000 records (individual names).
- Continued participation in the affiliate programme, where FamilySearch cooperates with organizations to promote the principal of more records faster to more people. This is being accomplished by using indexes already created by Family History Societies and by agreement with commercial companies such as 'Find My Past'. Significant benefits for the Church come in that costs are reduced as records made available through others web sites but with free access to FamilySearch members.

Welfare principles

Members were instructed on food storage and budgeting issues as part of the general program of The Church to help members and others become self-reliant. To assist this process guidance pamphlets on these topics were distributed free of charge as well as lessons given in each of the Wards and Branches throughout the year in the UK.

Local leaders of the Church were given counsel and direction on how best to respond to the needs of the poor and needy. This training was undertaken by volunteers who, in addition, provided further training on responding to spiritual, emotional and social needs, resource management and debt avoidance, enhancing physical health and well-being and meeting the education and literacy needs of members.

The Church of Jesus Christ of Latter-day Saints (Great Britain)

Report of the trustees for the year ended 31 December 2011

Achievements and performance (continued)

Welfare principles (continued)

Employment Resource Services

The Employment Resource Services department (ERS) is managed by two full time employees of the company. Martin Gardner is the Employment Resource Services Manager and James Martin is an associate manager and through their efforts, the ERS assists individuals become economically self-reliant through employment, education and self-employment.

There are also numerous volunteers who support the operations of the department, filling such roles as Employment Specialists (these have a responsibility to provide support, training and direct client work where necessary for a number of stakes), stake/district and ward/branch specialists. There are also a number of volunteers serving in the three Employment Centres located in the UK and Ireland (the latter supports our operations in Northern Ireland), including full time church missionaries. The number of key volunteers that we have working currently in employment specialist positions across the United Kingdom is 47 and the number of volunteers in the employment centres is 11.

Much of the work carried out by the department is centred in, or directly supported by three employment centres located in Birmingham, London and Dublin - the Dublin centre provides direct training and support to the leaders and specialists located in the Belfast Northern Ireland stake.

The core work undertaken in ERS is to provide Workshops for small groups of people (these are mainly attended by members of the church but also sometimes by non-members). The most frequently held workshop is called the Career Workshop and basically this helps people to identify specific career development goals, needs to meet those goals and resources to fulfil the needs. This workshop is usually 10 – 12 hours in duration and usually over two consecutive days. The self-employment workshop covers aspects of identifying key needs for successful business development, determining what a person's business goals and objectives are, what resource is needed to meet them and how to access and develop those resources. The Self-employment Workshop is of the same duration as the Career Workshop but is taught over two days with a gap in between to allow time for research and assignments to be completed.

These workshops are held at regular intervals in various locations within the stakes across the country and at the Employment Centres. The workshops in centres are generally held on a more frequent basis due to the availability of people to teach them.

In addition to the Career Workshop and Self-employment Workshop other shorter workshops at the employment centres focused on CV writing and interview skills.

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Achievements and performance (continued)

Welfare principles (continued)

Employment Resource Services (continued)

Psychometric testing for developing a work-choice profile for clients is carried out as well as specific one to one personal career counselling/coaching and resource development through use of a Career Assessment Plan.

The employees within ERS have a specific responsibility to provide training and support to local priesthood leaders and specialists serving within the stakes as well as managing the operations of the employment centres and developing resources for potential candidates in identifying suitable employment vacancies and academic/training courses at educational institutions.

Normally each year specific goals and targets are set in helping clients to find placements and set standards of excellence in respect to helping them to find better work. For 2011 the placement goal was 2,000.

Specific Achievements in 2011

ERS have helped to find placements in employment, self-employment or education/training for several hundred people.

(The London Hyde Park chapel was closed in August for remodelling and so the Hyde Park Employment Centre was closed and the operation is in the process of being relocated in three other temporary locations for a period of 8 months while Hyde Park is closed.)

An Employment Centre opened in the Edinburgh chapel during November.

Work in the community

During 2011 The Charity undertook the following major community initiatives:

European Year of Volunteering/Mormon Helping Hands

The Church has supported the European Year of Volunteering 2011 in association with Mormon Helping Hands. A major Mormon Helping Hands project was held in London, launching the London Mayor's clean up Appeal – the activity was held on the Tottenham Marshes, near the area affected by serious disturbances during August. Many stakes also held additional individual Mormon Helping Hands service projects.

The Church of Jesus Christ of Latter-day Saints (Great Britain)

Report of the trustees for the year ended 31 December 2011

Work in the community (continued)

Under the Mormon Helping Hands banner, the Church held a national blood drive in conjunction with the National Blood Service. Over 1,000 units of blood were donated and, in some cases, premises of The Church of Jesus Christ of Latter-day Saints were utilised as blood donor centres.

Annual cost £3,000

Family Values Awards (Q1)

Edmund Adamus, Director of Pastoral Affairs, Roman Catholic Diocese of Westminster, received the 2011 Family Values Award, which was presented at the RAC Clubhouse, for his focus on supporting marriage and family life. The Family Values Award is presented by the Church annually to members of the community who have made significant contributions to support family life. Also lauded was Phillip Blond, Director, ResPublica, for references in his writings to the value of family life. The award is sponsored by the Church as part of its community outreach programme.

Annual cost £4,000

King James Version 400th Anniversary (Q2/Q3)

The Church hosted several interfaith celebrations of the anniversary of the 'Authorised' Version of the Bible. The event held at Harris Manchester College, Oxford included talks by prominent members of the academic and faith communities – Revd Professor Alister E. McGrath, Professor Jonathan Bate, Professor John S. Tanner, and Elder Kenneth Johnson.

Around 2,000 people enjoyed the King James Bible Commemoration open-air concert in the grounds of the Preston England Temple. The event was introduced by Chorley Member of Parliament and Deputy Speaker Hon Lindsay Hoyle MP, who was joined by other civic dignitaries and faith leaders.

Stakes also held individual events, to which community leaders and members of the public were invited to attend. A major event took place at Birkenhead. The keynote speaker was Rt Hon Frank Field MP, Chairman of the King James Bible Trust.

Annual cost £4,000 (Oxford University)

Annual cost £4,000 (Preston Temple)

Annual cost £500 (Birkenhead)

The Church of Jesus Christ of Latter-day Saints (Great Britain)

Report of the trustees for the year ended 31 December 2011

Financial review

Each year the trustees carry out a detailed review of each department of The Charity. They review the previous year's achievements and review and approve the budgets for next year.

The end of the year saw an excellent financial result based on strong financial management. Costs were maintained within budget. There was an increase in the total resources expended. The costs increased from £35,998,000 in 2010 to £46,739,000 in 2011. This was primarily due to the following factors:

- A donation of £5,459,000 was made during the year to the parent company based on restricted donations received and accumulated up to December 2010. The parent company has confirmed by signed letter that it will use the funds as per the original restricted fund category.
- The Charity assumed the full responsibility for funding the missionary support costs. This involved incurring an extra cost of £3,303,000, mainly comprised of rental and utility costs in relation to missionary accommodation. Previous to 2011, these costs were borne by the parent company.
- Physical facilities costs rose by £1,900,000 compared to 2010 as many overdue repairs and improvements were carried out in the chapels throughout the UK.

Incoming resources saw an increase from £35,673,000 in 2010 to £47,976,000 in 2011. This was primarily due to an increase in donation income from the parent company from £1,141,000 in 2010 to £4,813,000 in 2011. In addition land valued at £6,607,643 was donated by Farmland.

The other incoming resources were donations from church members (£33,652,000), interest income (£38,000), incoming resources from charitable activities (£1,096,000) and other income (£1,769,000).

Resources expended exceeded incoming resources for the year by £4,613,000 after taking into account the actuarial loss on the defined benefit pension scheme of £5,850,000.

Investment powers and policy

Under the Memorandum and Articles of Association, The Charity has the power to invest in any way the trustees deem to be in the best interests of The Charity.

The Charity's objective is to maintain high liquidity while ensuring maximum security and achieving the highest possible return.

To help achieve this objective, The Charity invested £1,000,000 in fixed-term deposit accounts with high security rating from periods of one month to three months and achieved an average rate of 1.90% gross during 2011.

The Church of Jesus Christ of Latter-day Saints (Great Britain)

Report of the trustees for the year ended 31 December 2011

Financial review (continued)

Reserves policy

The trustees have established the level of reserves (that is those funds that are freely available) that The Charity ought to have ready access to. Reserves are needed to bridge any funding gap between spending and receiving resources through shareholder grants and member donations. The trustees' policy is to hold, as a minimum, the equivalent of approximately 12 months charitable expenditure in reserves.

The actual reserves at 31 December 2011 were £254,416,000 which is significantly above The Charity's target. This significant figure is largely due to the conversion of inter-company debt to grant income that took place in prior years as directed by the parent company.

In calculating reserves, the trustees have excluded from total funds the restricted income funds of £1,078,000. It is the trustees' view that it is prudent to ensure that there are sufficient reserves to provide financial flexibility.

The reserves policy is reviewed on an annual basis.

Plans for the future

Provision of facilities for religious worship

The Charity will continue to review the criteria for deciding when to build new buildings and whether innovative building techniques can achieve cost reductions in contract procurement and construction.

Plans for 2012 include the following:

Real Estate Projects

The acquisition of the following site is planned; 1. Whitechapel for a new meetinghouse	£ 7,000,000
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Meetinghouse Addition Projects

The following meetinghouse addition projects are planned; 1. Addition construction – Chorley, Kettering, Swindon, Thetford, Watford 2. Addition Design - Redcar, Redruth, Thetford, Watford 3. Parking additions – Antrim, Chelmsford, Oxford	£ 4,458,871
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Meetinghouse Replacement and Improvement Projects

196 meetinghouse R&I projects are planned in 2012	£ 3,915,192
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Report of the trustees for the year ended 31 December 2011

Plans for the future (continued)

Meetinghouse Operations – the cost to operate and maintain meetinghouses in 2012

Operational costs includes; Cleaning, Minor Maintenance, Grounds Care, Phone, Utilities, Administration Costs and Rents.	£ 10,147,888
Total estimated operational square feet = 2,109,840	

The following is the project expenditure planned in 2012 for the various new meetinghouse projects:

New Meetinghouse Projects with full budgeted costs

New meetinghouse design start projects planned at; 1. Huntingdon England	£ 400,000
New meetinghouse construction projects planned at; 3. Chesterfield England 4. Crystal Palace England 5. Salisbury England	£ 7,090,000
Total	£ 7,490,000

Religious materials

The Charity will continue to supply religious materials to members and others.

Missionary work

Sufficient budget funds will be allocated to support the continuing growth of The Church and the number of annual convert baptisms.

Family history

Plans for 2012 in family history encompass the following:

- Continue to increase activity within the Church and community, in FamilySearch Indexing.
- Recruit and engage with community volunteers to build the FamilySearch Wiki and Forums to provide additional, richer content and research support respectively.
- Influence priesthood leaders to use family history as a resource in missionary.
- Engage with Youth and Young Single Adults to increase their participation in family history activity.
- Using MediaSite equipment, develop an on-going regime for filming FH/Local History presentations by FH Professional, Archivists, Librarians and enthusiasts for viewing on the FamilySearch.org website.
- Further develop the webinar concept whereby professional FH researchers at the main Family History Library, deliver remote presentations to both Church and community audiences.
- Established at least three additional affiliate libraries in the UK (1 in England and 2 in Scotland).

The Church of Jesus Christ of Latter-day Saints (Great Britain)

Report of the trustees for the year ended 31 December 2011

Family history (continued)

- Full time employees remains at 5 operators supported by 2 missionary couples
- Goal for new image capture is 3,000,000 or 18,000,000 records
- Goal for renegotiated images is 5,000,000 or 30,000,000 records
- Creation of agreements with a minimum of three Family History Societies to create community indexing projects
- Goal of five new affiliate projects to spread costs for the Church, but allowing the flow of records to the web to increase

In line with the aim to deliver more records to more people faster, The Charity will continue the rollout of an on-line microfilm ordering service in Great Britain and Ireland. In addition, local ecclesiastical leaders will be encouraged to identify individuals who can be trained as additional volunteers in the FamilySearch indexing programme.

Work in the community

Working through the Public Affairs Department, The Charity will continue its efforts in 2012 as follows:

- Family Values Awards will be held throughout the country.
- The national blood drive will continue under the Mormon Helping Hands umbrella and stakes will also embark on local clean-up projects.
- The refurbishment of the Hyde Park building affords an opportunity for public and opinion leader open houses at a time when Exhibition Road is pedestrianized for the Olympics.
- Brigham Young University Singers performances will take place at public venues. The events are open to the community and will also allow fund-raising for good causes.

Welfare principles

The goal for placements in employment, self-employment or education has not yet been set as departmental objectives and metrics are currently under review at headquarters and we need to await details of this review before knowing exactly where future priorities will lie.

The plan for the employment centres at the Dublin centre is to have the centre run by local members with the missionary compliment being transferred to Edinburgh in 2012.

The Church of Jesus Christ of Latter-day Saints (Great Britain)

Report of the trustees for the year ended 31 December 2011

Trustees' responsibilities in relation to the financial statements

The trustees (who are also directors of The Charity for the purposes of Company Law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under Company Law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy, at any time, the financial position of The Charity and enables them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of The Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as each of the trustees is aware:

- there is no relevant information of which the charitable company's auditors are unaware; and
- The trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

On behalf of the trustees

Robert John Mulligan



Trustee

Date: 10/2/2012

Company number: 699764



Independent auditor's report to the members of The Church of Jesus Christ of Latter-day Saints (Great Britain)

We have audited the financial statements of The Church of Jesus Christ of Latter-day Saints (Great Britain) for the year ended 31 December 2011 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement, the accounting policies and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 17, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2011 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Independent auditor's report to the members of The Church of Jesus Christ of Latter-day Saints (Great Britain)

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Kathryn Godfree
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Birmingham
14 August 2012

THE CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS (GREAT BRITAIN)

Statement of financial activities (including income & expenditure account)

for the year ended 31 December 2011

	Note	Unrestricted Funds £'000	Restricted Funds (Note 7) £'000	Total funds 2011 £'000	Total funds 2010 £'000
Incoming resources					
Incoming resources from generated funds:					
<i>Voluntary income:</i>					
Donations	1	30,262	3,390	33,652	32,168
Donation from parent company	18	4,813	-	4,813	1,141
Donation from sister charity	18	6,608	-	6,608	-
Investment income:					
Interest receivable		38	-	38	158
Incoming resources from charitable activities:					
Religious media sales		76	-	76	170
Temple income		1,020	-	1,020	1,036
Family history microfilm rentals		-	-	-	19
		42,817	3,390	46,207	34,692
Other incoming resources:					
Other operating income		810	-	810	55
Other finance income	20	620	-	620	790
Profit on disposal of fixed assets	4	339	-	339	136
		1,769	-	1,769	981
Total incoming resources		44,586	3,390	47,976	35,673
Resources expended					
Charitable activities	2a	34,910	11,769	46,679	35,931
Governance costs	3	60	-	60	67
Total resources expended		34,970	11,769	46,739	35,998
Net incoming/(outgoing) resources before recognised gains and losses		9,616	(8,379)	1,237	(325)
Actuarial loss on defined benefit scheme	20	(5,850)	-	(5,850)	(2,670)
Net income/(expenditure) for the year		3,766	(8,379)	(4,613)	(2,995)
Total funds brought forward		253,854	6,253	260,107	263,102
Transfers		(3,204)	3,204	-	-
Total funds carried forward		254,416	1,078	255,494	260,107

None of the charity's activities discontinued during the above two financial years.

There is no difference between the results above and the unmodified historical cost equivalents for the years.

The statement of financial activities includes all gains and losses recognised in the years.

THE CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS (GREAT BRITAIN)

Balance Sheet

as at 31 December 2011

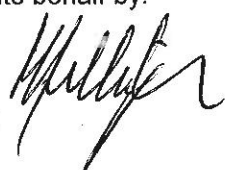
	Note	2011 £'000	2010 £'000
FIXED ASSETS			
Tangible assets	9	265,107	259,280
CURRENT ASSETS			
Debtors	10	3,379	3,120
Cash at bank and in hand		1,097	2,848
Investments	11	1,001	4,501
Inventory	12	78	117
		5,555	10,586
LIABILITIES			
CREDITORS			
Amounts falling due within one year	13	(2,208)	(1,149)
NET CURRENT ASSETS		3,347	9,437
TOTAL ASSETS LESS CURRENT LIABILITIES		268,454	268,717
Net assets excluding net pension (liability)/asset		268,454	268,717
Net defined benefit pension scheme (liability)/asset	20	(2,960)	1,390
Net assets including pension (liability)/asset		265,494	270,107
THE FUNDS OF THE CHARITY:			
Called up share capital	14	10,000	10,000
Restricted income funds	8	1,078	6,253
Unrestricted income funds		257,376	252,464
Total funds excluding pension reserve		268,454	268,717
Pension (deficit)/reserve	20	(2,960)	1,390
Total charity funds	15	265,494	270,107

The accounting policies and notes on pages 23 to 36 form part of these accounts.

The financial statements on pages 20 to 36 were approved by the board of trustees on 10th August 2012 and were signed on its behalf by:

John Mulligan - trustee

Company number: 699764



THE CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS (GREAT BRITAIN)

Cash flow statement

for the year ended 31 December 2011

	Note	2011 £'000	2010 £'000
Reconciliation of operating deficit to net cash inflow from operating activities			
Operating deficit	16a	(640)	(2,419)
Depreciation		6,796	6,462
Increase in debtors		(259)	(434)
Increase/(decrease) in creditors		1,059	(339)
Decrease in inventory		39	56
Gifted assets		(6,608)	-
Write off of fixed assets		13	376
Net cash inflow from operating activities		<u>400</u>	<u>3,702</u>
Returns on investments and servicing of finance	16b	38	158
Capital expenditure	16c	919	(5,495)
Management of liquid resources	16d	3,500	2,059
(Decrease)/increase in cash		<u>4,857</u>	<u>424</u>
Reconciliation of net cash flow to movement in net funds			
	Note	2011 £'000	2010 £'000
(Decrease)/increase in cash in the year		4,857	424
Net funds at 1 January		2,848	2,424
Net funds at 31 December	16e	<u>7,705</u>	<u>2,848</u>

THE CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS (GREAT BRITAIN)

Accounting policies

for the year ended 31 December 2011

The financial statements are prepared in accordance with applicable accounting standards in the United Kingdom and in accordance with the Statement of Recommended Practice (SORP), Accounting and Reporting for Charities 2005. A summary of the significant accounting policies which have been applied consistently, are:

BASIS OF ACCOUNTING

The financial statements are prepared on a going concern basis, under the historical cost convention, and in accordance with the Companies Act 2006.

FRS 18

The trustees have reviewed the accounting policies and confirmed that they are the most applicable.

INCOMING RESOURCES

Donations represent amounts collected from United Kingdom members on a receivable basis, together with income tax recoverable for amounts paid under Gift Aid.

Deferred income relates to advance payments for certain regional activities held by the company.

Periodically, further donations are received from the company's parent company, The Corporation of the Presiding Bishop of The Church of Jesus Christ of Latter-day Saints, to provide funds for the company's charitable activities and to ensure that the company has adequate reserves. These donations may be received by way of cash or partial cancellation of amounts due to the parent company. These donations are separately disclosed in the statement of financial activities and income and expenditure account.

RESOURCES EXPENDED

Resources expended comprises expenditure on charitable activities and governance costs. Costs are either specifically identified or apportioned on an appropriate basis between charitable activities and governance costs of the charity.

Charitable activities expenditure comprises the direct costs related to the achievement of the charitable objectives and an analysis of these costs are provided in note 2.

Governance costs are those costs that relate to activities which provide the governance infrastructure which allows the charity to operate and to generate the information required for public accountability. They include the strategic planning processes that contribute to future development of the charity. A breakdown is provided in note 3 and specifically comprises the legal advice to trustees, external audit costs and costs associated with constitutional and statutory requirements.

Expenditure is recognised on an accruals basis.

INVESTMENTS

Investment income is recognised on an accruals basis.

LIABILITIES

Future liabilities are recognised when the charity has a legal or constructive financial obligation, that can be reliably estimated and for which there is an expectation that payment will be made.

STOCKS

Stocks are valued at the lower of cost (determined under a weighted average method) and net realisable value. Net realisable value is based on estimated selling price less further costs expected to be incurred to completion and disposal. Provision is made for obsolete and slow-moving items or items provided free of charge.

THE CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS (GREAT BRITAIN)

Accounting policies (continued)

for the year ended 31 December 2011

TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are stated at historic purchase cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Individual fixed assets costing £5,000 or more are capitalised at cost. Depreciation is provided on all tangible fixed assets, other than freehold land and assets in the course of construction, at rates calculated to write down each asset to its estimated residual value evenly over its expected useful life, as follows:

Freehold buildings	over 50 years
Land improvements	over 50 years
Plant and equipment	over 10 years
Motor vehicles	over 4 years

Where appropriate provision has been made for impairment in the value of tangible fixed assets.

OPERATING LEASES

Rentals applicable to operating leases, where substantially all of the benefits and risks of ownership remain with the lessor, are charged to the statement of financial activities on a straight line basis over the lease term.

FOREIGN CURRENCY TRANSLATION

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the income and expenditure account.

PENSION COSTS

The company operates a defined benefit pension scheme, which is contracted out of the state scheme. Pension costs are accounted for under Financial Reporting Standard (FRS) 17. The disclosures required by Financial Reporting Standard (FRS) 17 are included in the notes to the financial statements (see note 20).

The net assets under the defined benefit pension scheme are included in the balance sheet. Current and past service costs are charged to operating profit. The expected return on pension scheme assets, net of interest costs on pension liabilities, are included within other finance income and actuarial gains and losses are included on the face of the statement of financial activities.

FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the trustees in accordance with the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the accounts (see note 8).

EXCHANGE GAINS AND LOSSES

Gains and losses due to exchange rate movements arise from two main areas. Firstly, gains and losses arise from the charity using standardised monthly internal exchange rates compared with actual currency translation rates. Where there is a difference between the two, the difference is recorded as an exchange gain or loss. This reported loss has no impact on the level of resources available for programs.

Secondly, fluctuations arise in the sterling value of assets and liabilities, mainly foreign currency bank account balances, held during the year and at the year end. Such fluctuations are included as an exchange gain or loss.

THE CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS (GREAT BRITAIN)

Notes to the financial statements

for the year ended 31 December 2011

1 Restricted income

	2011 £'000	2010 £'000
Missionary support fund	777	755
Book of Mormon fund	41	43
Fast offering fund	1,625	1,761
Temple construction fund	70	58
Humanitarian aid fund	448	508
Youth conferences	301	318
Perpetual education fund	128	177
	3,390	3,620

2a Analysis of charitable activities

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2011 £'000	Total 2010 £'000
Provision of worship facilities	23,790	-	23,790	22,747
Religious education	5,131	812	5,943	5,200
Missionary work	555	6,426	6,981	757
Genealogy work	5,082	122	5,204	5,069
Community projects	352	4,409	4,761	2,158
	34,910	11,769	46,679	35,931

2b Charitable activities allocation

Activity	Activities Undertaken directly £'000	Support Costs £'000	Total £'000
Provision of worship facilities	12,485	11,305	23,790
Religious education	812	5,131	5,943
Missionary work	6,426	555	6,981
Genealogy work	122	5,082	5,204
Community projects	4,409	352	4,761
Total	24,254	22,425	46,679

2c Support costs allocation

Support cost	Provision of worship facilities £'000	Religious Education £'000	Missionary work £'000	Genealogy work £'000	Community projects £'000	Total £'000
Staff costs	3,562	4,056	438	4,016	278	12,350
Travel	273	310	34	307	21	945
General administration	408	464	50	460	32	1,414
Materials and supplies	79	89	10	89	6	273
Depreciation	6,797	-	-	-	-	6,797
Cost of sales	186	212	23	210	15	646
Total	11,305	5,131	555	5,082	352	22,425

The staff costs are allocated on the basis of the department in which the particular employees work. Travel, general administration, materials and supplies, cost of sales and grant expense are allocated on a pro-rata basis with the wages costs as these support costs relate to all charitable activities. Depreciation only relates to the charitable activity of providing worship facilities.

3 Governance costs

	2011 £'000	2010 £'000
Audit fees	41	48
Accounting	19	19
	60	67

THE CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS (GREAT BRITAIN)

Notes to the financial statements (continued)

for the year ended 31 December 2011

4 Net (expenditure)/income for the year

	2011	2010
	£'000	£'000
Net (expenditure)/income is stated after charging/(crediting):		
Operational leases (land and buildings)	3,502	1,134
Depreciation	6,796	6,462
Auditors remuneration	41	48
Profit on disposal of fixed assets	(339)	(136)
Loss on write off of fixed assets	13	376

5 Employees

	2011	2010
	No.	No.
The average monthly number of persons (including directors) employed by the company during the year was:		
Teaching function	25	27
Office administration	168	227
Building cleaners	69	174
	262	428

	2011	2010
	£'000	£'000
Staff costs for the above persons:		
Wages and salaries	9,992	9,862
Social security costs	1,178	1,039
Other pension costs (note 20)	1,179	727
	12,349	11,628

The number of employees whose emoluments fell within the following bands during the year were as follows:

	2011	2010
	No.	No.
£70,001 - £80,000	7	18
£60,001 - £70,000	11	20

The number of employees whose emoluments were above £60,000 and who had benefits accruing under the defined benefit scheme were as follows:

	2011	2010
	No.	No.
£70,001 - £80,000	7	8
£60,001 - £70,000	11	14

TRUSTEES' REMUNERATION

None of the trustees received any remuneration or reimbursements from The Charity during the year (2010: none).

THE CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS (GREAT BRITAIN)

Notes to the financial statements (continued)

for the year ended 31 December 2011

6 Taxation

The company is a registered charity and as such is entitled to certain tax exemptions on income and profits carried on in furtherance of The Charity's primary objectives, if the profits and surpluses are applied solely for charitable purposes.

7 Analysis of net assets between funds

	Share capital & Unrestricted funds £'000	Restricted funds £'000	Total 2011 £'000
Tangible fixed assets	265,107	-	265,107
Current assets	4,477	1,078	5,555
Liabilities due under one year	(2,208)	-	(2,208)
	267,376	1,078	268,454

8 Restricted income funds

The capital and income funds of the charity include restricted funds comprising the following unexpended balances of donations held on trust to be applied for specific purposes.

	Balance 31.12.10 £'000	Incoming resources £'000	Transfers £'000	Expenditure £'000	Balance 31.12.11 £'000
Fast Offering fund	454	1,625	-	(1,876)	203
Missionary support fund	2,366	777	3,204	(6,347)	-
Book of Mormon fund	79	41	-	(79)	41
Temple Construction fund	122	70	-	(122)	70
Humanitarian Aid fund	2,532	448	-	(2,533)	447
Perpetual education fund	360	128	-	(360)	128
Youth Conferences	340	301	-	(452)	189
	6,253	3,390	3,204	(11,769)	1,078

Fast offering fund

These funds are contributed by members of the Church to be used in the relief of the poor and needy. During the year £1,876,000 (2010: £1,801,000) was spent for the relief of the poor and needy not only in the United Kingdom and Ireland but also other countries in Europe and Africa.

THE CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS (GREAT BRITAIN)

Notes to the financial statements (continued)

for the year ended 31 December 2011

8 Restricted funds (continued)

Missionary support fund

The missionary support fund represents donations from members in the United Kingdom and Ireland towards the costs of the Church's worldwide missionary fund programme which is co-ordinated and administered by the parent company, The Corporation of the Presiding Bishop of The Church of Jesus Christ of Latter-day Saints. During each year, funds are transferred to the parent company as authorised by the trustees. Funds authorised for specified missionaries are released evenly over their mission term of either 18 months or two years. The balance unexpended at the year end represents funds authorised but not yet transferred in respect of specified serving missionaries and funds reserved for future missionaries.

Book of Mormon fund

These funds are donated by the members towards the production and distribution costs of 'The Book of Mormon - Another Testament of Jesus Christ'. This book is printed by The Church of Jesus Christ of Latter-day Saints. The balance of these funds at 31 December 2011 was transferred immediately after the year end to The Corporation of the Presiding Bishop of The Church of Jesus Christ of Latter-day Saints.

Temple construction fund

These funds are donated by the members towards the cost of constructing temples by The Church of Jesus Christ of Latter-day Saints in any country throughout the world. The balance of these funds at 31 December 2011 was transferred immediately after the year end to The Corporation of the Presiding Bishop of The Church of Jesus Christ of Latter-day Saints.

Humanitarian aid fund

These funds are donated by the members to help fund the programme of Humanitarian Aid approved by The Church of Jesus Christ of Latter-day Saints. The balance of these funds at 31 December 2011 was transferred immediately after the year end to The Corporation of the Presiding Bishop of The Church of Jesus Christ of Latter-day Saints.

Perpetual Education Fund

These funds are donated by the members to help fund the programme of Perpetual Education approved by The Church of Jesus Christ of Latter-day Saints. The balance of these funds at 31 December 2011 was transferred immediately after the year end to The Corporation of the Presiding Bishop of The Church of Jesus Christ of Latter-day Saints.

Youth Conferences

These funds are donated by the members to help fund the programme of Youth Conferences approved by The Church of Jesus Christ of Latter-day Saints. The balance of these funds at 31 December 2011 was transferred immediately after the year end to The Corporation of the Presiding Bishop of The Church of Jesus Christ of Latter-day Saints.

THE CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS (GREAT BRITAIN)

Notes to the financial statements (continued)

for the year ended 31 December 2011

9 Tangible fixed assets

	Assets in the course of construction £'000	Land and Buildings £'000	Plant & Equipment £'000	Motor Vehicles £'000	Total £'000
Cost:					
1 January 2011	13,487	327,466	2,534	2,418	345,905
Transfers	(11,233)	11,233	-	-	-
Write offs	(4)	(9)	-	-	(13)
Additions	6,349	6,038	37	1,106	13,530
Disposals	-	(930)	(6)	(795)	(1,731)
31 December 2011	8,599	343,798	2,565	2,729	357,691
Depreciation:					
1 January 2011	-	83,091	2,071	1,463	86,625
Charge for Year	-	6,037	123	636	6,796
Disposals	-	(100)	(6)	(731)	(837)
31 December 2011	-	89,028	2,188	1,368	92,584
Net book value:					
31 December 2011	8,599	254,770	377	1,361	265,107
31 December 2010	13,487	244,375	463	955	259,280

The net book value of leases held over 50 years within land and buildings is £689,250 in 2011 (2010:

10 Debtors

	2011 £'000	2010 £'000
Due within one year:		
Deposits and advances	334	111
Other debtors	5	26
Prepayments and accrued income	3,040	2,983
	3,379	3,120

THE CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS (GREAT BRITAIN)

Notes to the financial statements (continued)

for the year ended 31 December 2011

11 Investments

All investment income arises from interest bearing deposit accounts. These are short term high interest accounts.

	2011 £'000	2010 £'000
Fixed term deposit accounts	1,000	4,500
Deseret U.K.Trustco unlimited	1	1
	<u>1,001</u>	<u>4,501</u>

The trustees consider the value of the investments to be supported by the company's underlying assets.

12 Stock

	2011 £'000	2010 £'000
Finished goods and goods for resale	78	117

13 Creditors: Amounts falling due within one year

	2011 £'000	2010 £'000
Other taxation and social security costs	287	243
Other creditors	1,659	658
Deferred income	262	248
	<u>2,208</u>	<u>1,149</u>

Deferred income is further analysed as follows:

	2011 £'000	2010 £'000
Opening balance	248	277
Utilised in year	(248)	(277)
Accrued during year	262	248
Closing balance	<u>262</u>	<u>248</u>

14 Called up share capital

	2011 £'000	2010 £'000
Authorised:		
25 million ordinary shares of £1 each	<u>25,000</u>	<u>25,000</u>
Allotted, issued and fully paid:		
10 million ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

15 Reconciliation of movements in total shareholders' funds

	2011 £'000	2010 £'000
Net surplus/(deficit) in funds for the year	1,237	(325)
Actuarial loss on pension scheme (note 20)	(5,850)	(2,670)
	<u>(4,613)</u>	<u>(2,995)</u>
Net change in total shareholders' funds		
Opening shareholders' funds	<u>270,107</u>	<u>273,102</u>
Closing shareholders' funds	<u>265,494</u>	<u>270,107</u>

THE CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS (GREAT BRITAIN)

Notes to the financial statements (continued)

for the year ended 31 December 2011

16 Notes to the cash flow statement

a Operating deficit	2011	2010	
	£'000	£'000	
Net incoming/(outgoing) resources before other recognised gains and losses	1,237	(325)	
Interest received and other finance income	(658)	(948)	
Gain on disposal of tangible fixed assets	(339)	(136)	
Difference between pension charge and cash contributions	(880)	(1,010)	
Operating deficit	(640)	(2,419)	
b Returns on investments and servicing of finance			
Interest received	38	158	
c Capital expenditure			
Payments to acquire tangible fixed assets	(6,922)	(5,739)	
Receipts from sales of tangible fixed assets	1,233	244	
	(5,689)	(5,495)	
d Management of liquid resources			
Fixed term deposits reduction	3,500	2,059	
e Analysis of changes in net funds			
	At	Cash flows	At
	1 January		31 December
	2011		2011
	£'000	£'000	£'000
Cash at bank and in hand	2,848	(1,751)	1,097

17 Capital commitments

	2011	2010
	£'000	£'000
Capital expenditure authorised by the directors and contracted for	<u>4,862</u>	<u>103</u>

THE CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS (GREAT BRITAIN)

Notes to the financial statements (continued)

for the year ended 31 December 2011

18 Related party transactions and ultimate holding company

The company is owned solely by the Corporation of the Presiding Bishop of The Church of Jesus Christ of Latter-day Saints (the parent company and controlling party), a company incorporated in the state of Utah, United States of America. Assurances of continued financial support have been received from the Corporation of the Presiding Bishop of The Church of Jesus Christ of Latter-day Saints.

All inter-company balances between the company and its parent company are transferred to the statement of financial activities as a grant expense or grant income depending on whether it is a debit or credit balance at the year end.

Total grant income received from the parent company in 2011 was £4,813,000 (2010: £1,141,000). Land with a total value of £6,608,000 was transferred from another sister charity, Farmland Reserve UK Limited (formerly the Church of Jesus Christ of Latter-day Saints (Welfare) Limited ("Farmland)).

During the year, the company acted as agent of the Corporation of the Presiding Bishop of The Church of Jesus Christ of Latter-day Saints in the transfer of funds to and from other Church entities throughout the world. Balances arising from those transactions are dealt with as entries on behalf of the Corporation of the Presiding Bishop of The Church of Jesus Christ of Latter-day Saints, and not as debtors and creditors of the company.

On 10 February 2011, land with a total value of £6,607,643 was transferred, in the form of a donation, to the company from a fellow subsidiary, Farmland Reserve UK Limited (formerly the Church of Jesus Christ of Latter-day Saints (Welfare) Limited).

19 Commitments under operating leases

At 31 December 2011 the company had annual commitments under non-cancellable operating leases which relate to the lease of building facilities used for worship purposes and also to housing for missionaries. These are set out below:

	2011 £'000	2010 £'000
In less than one year	452	25
In two to five years	528	271
In more than five years	197	271

THE CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS (GREAT BRITAIN)

Notes to the financial statements (continued)

for the year ended 31 December 2011

20 Pension and other post-employment commitments

In conjunction with the Church of Jesus Christ of Latter-day Saints (Welfare), the Company operates a defined benefits plan, The Deseret UK Benefit Plans ("The Plan") which was approved under Chapter 1 Part XIV of the Income and Corporation Taxes Act 1988. The Plan is contracted out of the State Second Pension.

The assets of The Plan are held separately from the assets of the Company. The most recent triennial valuation, using the projected unit basis, as at 31 December 2010, showed that the value of the Plan's assets was 100% of the value of the benefit accrued to members after allowing for future increases to earnings. The market value of The Plan's assets was £45,748,000 excluding money purchase additional voluntary contributions (AVCs). The following assumptions were adopted for the above valuation:

Investment return (before retirement)	6.80% pa
Investment return (after retirement)	4.63% pa
Average Salary Increases	5.10% pa
Retail price inflation	3.60% pa
Pension Increases (post 04/1997)	3.10% pa

In order to produce the 2011 disclosures required under FRS17 a full valuation, as at 31 December 2010, has been updated, by an independent qualified actuary, using the assumptions as shown below:

	31 December 2011	31 December 2010	31 December 2009
Retail Price Index	2.90% pa	3.50% pa	3.55% pa
Consumer Price Index	2.10% pa	3.00% pa	3.05% pa
Discount rate	4.70% pa	5.40% pa	5.75% pa
Increases in payment (post 04/1997 to 04/2006)	2.85% pa	3.40% pa	3.45% pa
Pensionable salary increases	4.40% pa	4.75% pa	4.80% pa

The mortality assumptions used were as follows:

	31 December 2011	31 December 2010	31 December 2009
Life expectancy aged 65 now			
- Men	22.4	22.3	22.2
- Women	24.8	24.7	24.6
Life expectancy aged 65 in 20 years			
- Men	24.3	24.2	24.1
- Women	26.7	26.6	26.5

THE CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS (GREAT BRITAIN)

Notes to the financial statements (continued)

for the year ended 31 December 2011

20 Pension and other post employment commitments (continued)

The expected return on scheme assets is determined by considering the expected returns available on the assets underlying the current investment policy. Expected yields on fixed interest investments are based on gross redemption yields as at the balance sheet date. Expected returns on equity investments reflect long-term real rates of return experienced in the respective markets.

On this basis, the balance sheet figures required under FRS17 are as follows:

	31 December 2011		31 December 2010		31 December 2009	
	Expected long-term return	Value £millions	Expected long-term return	Value £millions	Expected long-term return	Value £millions
Equities	6.30% pa	28.70	7.70% pa	30.13	8.00% pa	33.37
Gilts	2.80% pa	11.19	4.20% pa	13.09	5.75% pa	5.24
Corporate Bonds	4.70% pa	6.30	5.40% pa	1.91	5.75% pa	0.15
Insured pensions	4.70% pa	0.28	5.40% pa	0.27	5.75% pa	0.29
Cash	0.50% pa	0.22	0.50% pa	0.26	0.50% pa	2.34
Property	5.80% pa	0.00	7.20% pa	0.00	7.50% pa	0.38
Total market value of assets		46.69		45.66		41.77
Present value of Plan liabilities		49.65		44.27		39.51
Plan (deficit)/surplus		(2.96)		1.39		2.26

Reconciliation of present value of scheme liabilities

	31 December 2011 £millions	31 December 2010 £millions
Opening defined benefit obligation	44.27	39.51
Service cost	1.17	0.98
Contributions by members	0.35	0.34
Interest cost	2.38	2.27
Actuarial losses	3.46	2.53
Benefits paid	(1.98)	(1.36)
Closing defined benefit obligation	49.65	44.27

THE CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS (GREAT BRITAIN)

Notes to the financial statements (continued)

for the year ended 31 December 2011

20 Pension and other post employment commitments (continued)

Reconciliation of the fair value of scheme assets

	31 December 2011	31 December 2010
	£millions	£millions
Opening fair value of scheme assets	45.66	41.77
Expected return	3.00	3.06
Actuarial loss	(2.39)	(0.14)
Contributions by employer	2.05	1.99
Contribution by members	0.35	0.34
Benefits paid	(1.98)	(1.36)
Closing fair value of scheme assets	<u>46.69</u>	<u>45.66</u>

The actual return on plan assets was a gain of £0.61 million for 2011 (2010: gain of £2.92 million). The value of the plan assets is volatile. The asset value disclosed is at a point in time and will have moved since the year end.

Analysis of amount credited to net income

	31 December 2011	31 December 2010
	£millions	£millions
Current service cost	(1.17)	(0.98)
Expected return on pension Plan assets	(3.00)	(3.06)
Interest on pension Plan liabilities	2.38	2.27
Net return	<u>(1.79)</u>	<u>(1.77)</u>

The rate of contributions payable by the Company is determined by an independent qualified actuary on the basis of triennial funding valuations. Contributions paid by the Company to the Plan during the year ended 31 December 2011 amounted to £2.05 million (2010: £1.99 million). Contributions exclude employee contributions of £350,000 (2010: £340,000). 2012 contributions are expected to be in line with 2011.

Movement in (deficit)/surplus during the year

	31 December 2011	31 December 2010
	£millions	£millions
Surplus in Plan at beginning of the year	1.39	2.26
Movement in the year: Current service cost	(1.17)	(0.98)
Contributions	2.05	1.99
Other finance income	0.62	0.79
Actuarial loss	(5.85)	(2.67)
(Deficit)/surplus in plan at end of the year	<u>(2.96)</u>	<u>1.39</u>

THE CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS (GREAT BRITAIN)

Notes to the financial statements (continued)

for the year ended 31 December 2011

20 Pension and other post employment commitments (continued)

Analysis of amount recognised in statement of total recognised gains and losses

	31 December 2011	31 December 2010
	£millions	£millions
Actual return less expected return on Plan assets	(2.39)	(0.14)
Experience gains and losses arising on Plan liabilities	(0.83)	(0.05)
Changes in assumptions underlying the present value of the Plan liabilities	<u>(2.63)</u>	<u>(2.48)</u>
Actuarial loss recognised in the statement of total recognised gains and losses	<u>(5.85)</u>	<u>(2.67)</u>

The cumulative actuarial loss as at 31 December 2011 is £13,460,000 (2010: loss of £7,610,000)

Amounts for current and previous four periods

Year ending 31 December	2011	2010	2009	2008	2007
	£millions	£millions	£millions	£millions	£millions
Defined benefit obligation	(49.65)	(44.27)	(39.51)	(34.96)	(34.79)
Scheme assets	46.69	45.66	41.77	33.59	39.57
(Deficit)/surplus	(2.96)	1.39	2.26	(1.37)	4.78
Experience adjustments on scheme liabilities	(0.83)	(0.05)	(0.02)	1.03	-
Experience adjustments on scheme assets	(2.39)	(0.14)	5.50	(9.92)	0.10